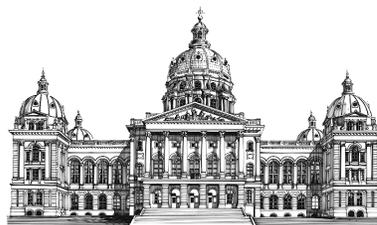

Iowa Legislative Fiscal Bureau

Dennis Prouty
(515) 281-5279
FAX 281-8451



State Capitol
Des Moines, IA 50319
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State of Iowa General Fund Budget FY 2002 through FY 2004

ISSUE

This **Issue Review** examines the actions enacted by the General Assembly and the Governor in addressing the FY 2002 and FY 2003 budget shortfalls, and highlights issues the General Assembly will consider during the FY 2004 budget planning process.

BACKGROUND

Iowa's General Fund revenues experienced record declines in FY 2002 resulting from the weakened national economy and exacerbated by the events of September 11, 2001. While the State's tax revenues have been slowly improving in FY 2003, past revenues have not kept pace with the spending level. To address the inequities between revenues and expenditures, the General Assembly and the Governor enacted legislation that included a variety of revenue transfers from non-General Fund sources to the General Fund, shifting expenditures traditionally funded from the General Fund to non-General Fund sources, and numerous reductions to State agencies and programs.

COMPARISON WITH OTHER STATES

In December 2002, Time Magazine summarized the condition of state budgets across the nation in an article entitled, "How To Balance A Budget – States Are In Crisis." The following is an excerpt from the article:

Though we hope nothing like this happens to you, get ready for the most severe state budget crises since World War II. As Governors across the U.S. -- 24 of them newly elected -- prepare to ring in 2003, the only thing they are celebrating is that they have lots of company in their fiscal misery. Laws in all states except Vermont require a balanced budget. To achieve that in the current fiscal year, which in most cases runs through June 30, states must slash spending and tack on fees and taxes. What they are pondering ranges from the relatively painless (new taxes on tobacco and expanding gaming and lotteries) to the inconvenient (shortening hours at DMV and welfare offices) to the positively painful (closing hospitals, parks-and-recreation departments and libraries, cutting Medicaid, raising college tuitions and laying off thousands of state employees).

The main source of the states' budget distress is plunging tax revenue stemming from the economic and stock-market downturns. State receipts, largely from sales and capital-gains taxes, fell 6% last year, the first decline in more than 50 years. The states are running an aggregate deficit that is expected to reach \$68 billion by June 30. Not even a sudden economic revival would mend what amounts to bad luck (the recession) teamed with years of poor planning and an ancient state-tax system that largely ignores the fastest growing part of the economy: services.

According to the November 2002 State Budget Update provided by the National Conference of State Legislators, numerous states are reporting budget difficulties in FY 2003. The following summarizes the findings of the Report.

- *Thirty-one states reported budget gaps in the early months of FY 2003.*
- *The current cumulative budget gap is approximately \$17.5 billion for FY 2003 (3.6 percent of original FY 2003 appropriations).*
- *State revenue collections continue to be anemic. Thirty-three states report that revenue collections were below forecasted levels through October.*
- *Twenty-nine states report that spending is exceeding budgeted levels. Twenty-four states report that Medicaid or health care programs are over budget.*

FY 2002 AND FY 2003 REVENUE AND EXPENDITURE TRANSFERS

In Iowa, the FY 2002 General Fund budget was amended to reflect multiple revised estimates of declining revenue. Two across-the-board reductions (4.3% and 1.0%) were adopted during the FY 2002 budget year. In addition to the expenditure reductions, legislation was enacted that transferred \$284.5 million in revenue from numerous non-General Fund sources to the General Fund. Expenditures of \$248.7 million that were funded traditionally from the General Fund were shifted to non-General Fund sources. A chart showing the FY 2002 General Fund revenue and expenditure budgets with the incorporated transfers is included in **Attachment A**. A detailed list of the individual transfers is provided in **Attachment B**.

In FY 2003, State agencies' General Fund operating budgets were reduced from FY 2002, including furloughs and delays in cost-of-living increases. In addition, the General Assembly transferred \$97.1 million in revenue from non-General Fund sources to the General Fund, and shifted \$281.6 million of expenditures from the General Fund to non-General Fund sources. A chart showing the FY 2003 General Fund revenue and expenditure budgets with the incorporated transfers is included in **Attachment C**. A detailed list of the individual transfers is provided in **Attachment D**.

PROJECTED FY 2004 BUDGET SHORTFALL

The Legislative Fiscal Bureau (LFB) is projecting a \$426.3 million budget shortfall for FY 2004. The shortfall is based on the following assumptions:

- The Revenue Estimating Conference established a FY 2004 revenue estimate of total tax and other receipts of \$5.107 billion or a 1.6% increase compared to estimated FY 2003. The net General Fund estimate is only \$4.526 billion or a 0.1% increase compared to FY 2003. One-time transfers of revenues in FY 2003 caused the decline of the estimated tax

and receipt growth to go from 1.6% to an available increase of 0.1% in funds. The projected amount of new revenue available for FY 2004 is \$5.4 million.

- State agencies and programs, less estimated reversions, will be funded at the FY 2003 level (prior to supplemental appropriations) of \$4.457 billion.
- Built-in and anticipated expenditure increases are estimated to total \$449.5 million. These are discussed below in greater detail.
- One new built-in increase will be the Cash Reserve Fund that will require a \$45.3 million appropriation in accordance with expenditure limitation requirements. The Cash Reserve Fund is projected to be below the goal of 7.5% and will require a FY 2004 appropriation of 1.0% of adjusted revenues.

A chart showing the FY 2004 General Fund revenue and expenditure budgets is included in **Attachment E**.

FY 2004 ANTICIPATED EXPENDITURES

A built-in increase or decrease is a standing appropriation required by the Code of Iowa, an entitlement program, or an appropriation for a future fiscal year that increases or decreases compared to the prior year. Built-in increases or decreases may be changed by enacted legislation. An anticipated increase or decrease is based on prior obligation or action and requires legislative action.

For FY 2004, the LFB is projecting \$449.5 million in built-in and anticipated increases and decreases. The FY 2004 projection includes \$279.4 million in General Fund built-in increases and decreases and \$170.1 million in anticipated increases and decreases. The following tables summarize the projected built-in and anticipated changes for FY 2004.

A number of FY 2004 built-in and anticipated expenditure increases resulted from the transfer of expenditures to other funding sources in FY 2003. This includes a portion of School Aid (\$45.0 million), \$41.1 million for salary increases, a portion of the Student Achievement Program (\$23.9 million), and \$13.3 million for Regents Tuition Replacement. The estimates for the built-in and anticipated increases for these programs assume that they will be funded entirely from the General Fund in FY 2004.

The estimated FY 2004 Medicaid budget assumes the Program will continue to receive non-General Fund appropriations at the FY 2003 level. In FY 2003, Medicaid was appropriated a total of \$494.3 million, which included \$377.2 million from the General Fund and \$117.1 million from non-General Fund sources. Medicaid expenditures are estimated to increase to \$592.0 million for FY 2004, including \$474.9 million from the General Fund and \$117.1 million from non-General Fund sources. The estimated increase of \$97.7 million is included as a General Fund built-in for FY 2004.

Projected FY 2004 Incremental Built-in and Anticipated Expenditures

(Dollars in Millions)

Built-in Changes

Human Services - Medical Assistance (Medicaid)	\$	97.7
K-12 School Foundation Aid (FY 2004 Allowable Growth)		94.7
Cash Reserve Fund Appropriation		45.3
Appropriation to Endowment for Healthy Iowans		28.3
Educational Excellence		14.0
Homestead Tax Credit		8.4
Property Tax Replacement		5.2
Human Services - Mental Health Growth Factor		4.9
Agricultural Land Tax Credit		3.6
State Appeal Board Claims		2.5
Education - Early Intervention Block Grant		-30.0
Other		4.8
Total	\$	279.4

Anticipated Increases and Decreases

FY 2004 Collective Bargaining Salary Package	\$	41.1 *
Salary Adjustment funded from Other Funds in FY 2003		41.1
State Employee Furlough		33.5
Education - Teacher Quality/Student Achievement Act		26.0
Regents - Tuition Replacement		13.3
Education - College Student Aid Work Study Program		2.8
Inspections and Appeals - Indigent Defense & Public Defender		2.7
Judicial Branch - Retirement Fund Contribution		2.2
Corrections - Fort Madison Special Needs Facility Start-Up Costs		2.1
Other		5.3
Total	\$	170.1
TOTAL PROJECTED EXPENDITURES	\$	449.5

* The collective bargaining salary package reflects the amount appropriated for salary adjustment for FY 2003. The FY 2004 amount will be dependent on a new collective bargaining agreement.

PENDING LITIGATION

There are two outstanding cases that could have a fiscal impact on the FY 2004 budget, which are briefly highlighted below:

- A District Judge has ordered State officials to pay \$112.0 million in tax refunds and interest to racetracks. The refund issue has been pending since June 2002 when the Iowa Supreme Court ruled 4 - 3 that track casinos were being unconstitutionally taxed at a higher rate than riverboats. The court ruling said the tracks are entitled to refunds plus 5.0% simple interest of taxes collected between January 1997 and June 2002.
- Approximately 293 employees sued four State agencies in 1994 for overtime pay that they claimed was due under federal law (Fair Labor Standards Act) and Chapter 91A, Code of Iowa. The four agencies that were sued were the Department of Public Safety, the Department of Transportation, the Department of Corrections, and the Department of

Natural Resources. The Court has found that the State owes supervisor-level employees back pay for overtime worked between 1994 and 1996. It is estimated this will cost between \$13.0 and \$21.7 million. It is estimated that a majority of the cost (\$12.0 to \$19.7 million) will be attributable to the Road Use Tax Fund since a significant portion of the employees costs were paid from this Fund. Approximately \$1.0 to \$2.0 million will be attributable to the General Fund.

Most supervisor-level State Patrol officers stopped requesting overtime after a 1995 policy change banned overtime unless it was approved in advance. The court found some money was owed because the State's discipline policy violated federal wage laws. Federal rules say supervisory workers lose their exemption from overtime if paychecks can be docked for partial absences or punishment. The State's discipline policy has been changed to comply with federal laws regarding supervisory employees.

NON-GENERAL FUND SOURCES OF REVENUE

In addition to the Cash Reserve Fund and Economic Emergency Fund, the General Assembly used the following funding sources to assist in balancing the General Fund budget in FY 2002 and FY 2003.

State Wagering Tax – Excursion boat and racetrack owners pay a wagering tax on adjusted gross receipts of gambling revenue.

- **Estimated FY 2003 Receipts:** \$181.3 million. The funds will be distributed as follows:
 - \$60.0 million – General Fund
 - \$15.0 million – Vision Iowa Fund
 - \$5.0 million – School Infrastructure Fund
 - \$75.0 million – Endowment for Iowa's Health Account (In FY 2004, this amount will be reduced to \$70.0 million)
 - Remainder to the Rebuild Iowa Infrastructure Fund (RIIF) (\$26.3 million estimated). Prior to the Supreme Court ruling the RIIF was estimated to receive \$54.9 million.
- **Major Issues:** Prior to June 12, 2002, gaming revenues generated from slot machines and table games were taxed at different rates for riverboats and racetrack establishments. On June 12, 2002, the Iowa Supreme Court issued a ruling stating it was unconstitutional for the State to collect taxes at a higher rate for racetrack gaming than for riverboat gaming. The case was remanded to the district court for further action. As a result, the State began collecting taxes from racetrack establishments at the lower rate, which has resulted in an estimated \$40.4 million reduction in tax revenues for FY 2003.
- **FY 2004 Outlook:** The Revenue Estimating Conference has projected zero percent revenue growth in the State Wagering Tax for FY 2004.

Rebuild Iowa Infrastructure Fund (RIIF) – Established in Section 8.57(5), Code of Iowa, for public infrastructure-related expenditures. Appropriations from the RIIF must meet the statutory definition of vertical infrastructure in Section 8.57(5)(c), Code of Iowa.

- **Major Sources of Revenue:** State Wagering Tax, Interest generated by the Cash Reserve and Economic Emergency Funds, and a portion of the Marine Fuel Tax.
- **Estimated FY 2003 Available Resources:** \$28.5 million. Of this, \$15.5 million is to be transferred to the General Fund.
- **Estimated FY 2003 Appropriations:** \$46.2 million. The Fund provides a standing appropriation of \$35.0 million to the Environment First Fund.
- **Major Issues:** A shortfall of \$17.7 million is projected for FY 2003 due to the Supreme Court decision that reduced the tax rate on the State's racetrack establishments from 32.0% to 20.0%. The General Assembly will need to pass legislation to either increase revenues to the Fund or reduce the appropriations.
- **FY 2004 Outlook:** Current estimates project a \$900,000 shortfall for FY 2004. However, the FY 2004 estimates are tenuous due to the uncertainty of funding issues in FY 2003.

Environment First Fund – These funds are to be used for the protection, conservation, enhancement, or improvement of natural resources or the environment.

- **Major Revenue Source:** Section 8.57A(4), Code of Iowa, appropriates \$35.0 million annually from the RIIF to the Environment First Fund.
- **Estimated FY 2003 revenues:** \$35.0 million. Of this amount, \$18.4 million is to be transferred to the General Fund.
- **Estimated FY 2003 Appropriations:** \$16.6 million.
- **Major Issues:** The shortfall in the RIIF could potentially impact the Environment First Fund.
- **FY 2004 Outlook:** As done in FY 2003, the General Assembly could reduce the appropriations for environmental programs and transfer funds to the General Fund.

Motor Vehicle Use Tax – A 5.0% tax on the sale of motor vehicles. Section 423.24, Code of Iowa, requires these taxes be credited to the Road Use Tax Fund.

- **Estimated FY 2003 receipts:** \$277.0 million.
- **Estimated expenditures:** \$45.9 million in allocations with the remainder credited to the Road Use Tax Fund. The allocations include: \$27.7 million for the Commercial and Industrial Highway System, \$17.0 million for the Underground Storage Tank Program, and \$1.2 million for the Department of Inspections and Appeals.
- **Major Issues:** Unlike most revenue dedicated to the Road Use Tax Fund, the Motor Vehicle Use Tax is not required by the Iowa Constitution to be spent for the improvement of roads. The General Assembly has appropriated a portion of these funds for non-road related purposes.
- **FY 2004 Outlook:** The current FY 2004 estimate of Motor Vehicle Use Tax, after statutory allocations are deducted, is \$232.1 million. These funds are available to the General

Assembly for appropriation; however, this will reduce the amount of money available for road construction and maintenance at the State and local level.

Senior Living Trust Fund – Established in Section 249H.4, Code of Iowa, the appropriations from the Fund have been used to supplement Medicaid and fund other alternative long-term care expenses.

- **Major Source of Revenue:** The Fund receives deposits from intergovernmental transfers that resulted from the State's ability to draw down federal matching funds calculated as if all nursing facilities in the State are reimbursed at the federal Medicare rate, which is higher than the Iowa Medicaid rate.
- **Estimated FY 2003 Available Resources:** \$422.0 million.
- **Estimated FY 2003 Expenditures:** \$76.8 million.
- **Major Issues:** The 2002 General Assembly established a Pending Senior Living Trust Fund to receive funds through intergovernmental agreements for the Senior Living Program that were not yet approved by the federal Centers for Medicaid and Medicare Services (CMS) for appropriation. The legislation required the funds be transferred to the Senior Living Trust Fund when they were determined to be available for appropriation. There is currently \$166.9 million available to be transferred to the Senior Living Trust Fund. Current projections that include the \$166.9 million estimate that the Fund will be depleted in FY 2008, assuming the General Assembly continues to appropriate from the Fund at the same level as FY 2003.
- **FY 2004 Outlook:** It is currently assumed that \$66.7 million from the Senior Living Trust Fund will continue to be used to offset the State's Medicaid expenditures. Additional funds could be appropriated for Medicaid in FY 2004; however, the Fund would be depleted prior to the projected date of FY 2008.

Restricted Capital Funds Account of the Tobacco Settlement Trust Fund – In FY 2002, the Fund was established to receive \$540.0 million in tax-exempt bond proceeds as a result of the Tobacco Securitization process.

- **Major Revenue Sources:** The tax-exempt bond proceeds from Tobacco Securitization and interest earnings.
- **Estimated FY 2003 Available Resources:** \$444.2 million.
- **Estimated FY 2003 Expenditures:** \$186.6 million.
- **Major Issues:** Tax-exempt bond proceeds must be used for qualified capital projects in accordance with Internal Revenue Code regulations. Qualified expenditures include expenditures for depreciable assets such as construction and renovation of facilities, and equipment purchases. Unqualified expenditures would include operational expenses and routine facility maintenance.
- **FY 2004 Outlook:** The Fund will be used to fund a total of \$29.4 million of debt service in FY 2004 for the Iowa Communications Network (ICN) bonds, Prison Infrastructure bonds,

and a portion of the Regent's Academic Revenue bonds. There will be approximately \$90.0 million available for infrastructure projects above and beyond the amount needed for FY 2004 \$29.4 million of debt service.

Endowment for Iowa Health Account – The Account was established as a result of the securitization of Iowa's tobacco settlement payments in FY 2002. The Endowment was created for the purpose of providing a long-term funding source for the Healthy Iowans Tobacco Trust. The Endowment provides a standing appropriation of \$55.0 to \$57.0 million to the Healthy Iowans Tobacco Trust.

- **Major Revenue Sources:**
 - Taxable Bond Proceeds – \$39.6 million of taxable bond proceeds.
 - Wagering Tax – An allocation of the State Wagering Tax beginning in FY 2002 and ending FY 2007, which include: \$80.0 million in FY 2002, \$75.0 million in FY 2003, and \$70.0 million annually in FY 2004 through FY 2007.
 - General Fund – The Endowment receives a standing appropriation from the General Fund that began in FY 2002 and will end in FY 2007. The appropriation for FY 2004 is \$28.3 million.
 - Residual Payments - The Endowment receives tobacco settlement payments that are in excess of the amount needed to pay the annual debt service on the tobacco bond proceeds. The residual payments are estimated at \$25.0 to \$30.0 million annually.
- **Estimated FY 2003 Available Resources:** \$124.6 million.
- **Estimated FY 2003 Expenditures:** \$110.7 million.
- **Major Issues:** The Endowment typically begins receiving wagering tax revenues in December; therefore, for the first six months of the fiscal year, the Endowment relies primarily on the previous year's carry-forward balance to cash flow the appropriation to the Healthy Iowans Tobacco Trust.
- **FY 2004 Outlook:** Any future decisions to alter revenues and expenditures should include a review of the monthly cash flow of the Endowment.

Healthy Iowans Tobacco Trust – Section 12.65, Code of Iowa, requires moneys deposited into the Trust to be used for purposes related to health care, substance abuse treatment and enforcement, tobacco use prevention and control, and other purposes related to the needs of children, adults, and families in the State.

- **Major Revenue Source:** The Trust receives a standing appropriation from the Endowment for Iowa's Health Account that was set at \$55.0 million in FY 2002 and is statutorily increased by 1.5% annually. In addition to the standing appropriation, the General Assembly transferred \$9.0 million from the Endowment to the Trust for FY 2003.
- **Estimated FY 2003 Available Resources:** \$65.4 million.
- **Estimated FY 2003 Expenditures:** \$65.2 million.
- **Major Issues:** In FY 2003, \$38.4 million of the Trust revenues were used for programs related to Medicaid, which in prior years would have been funded from the General Fund.

- **FY 2004 Outlook:** The estimated built-in increase for Medicaid assumes the Program will continue to receive \$38.4 million from the Healthy Iowan's Tobacco Trust.

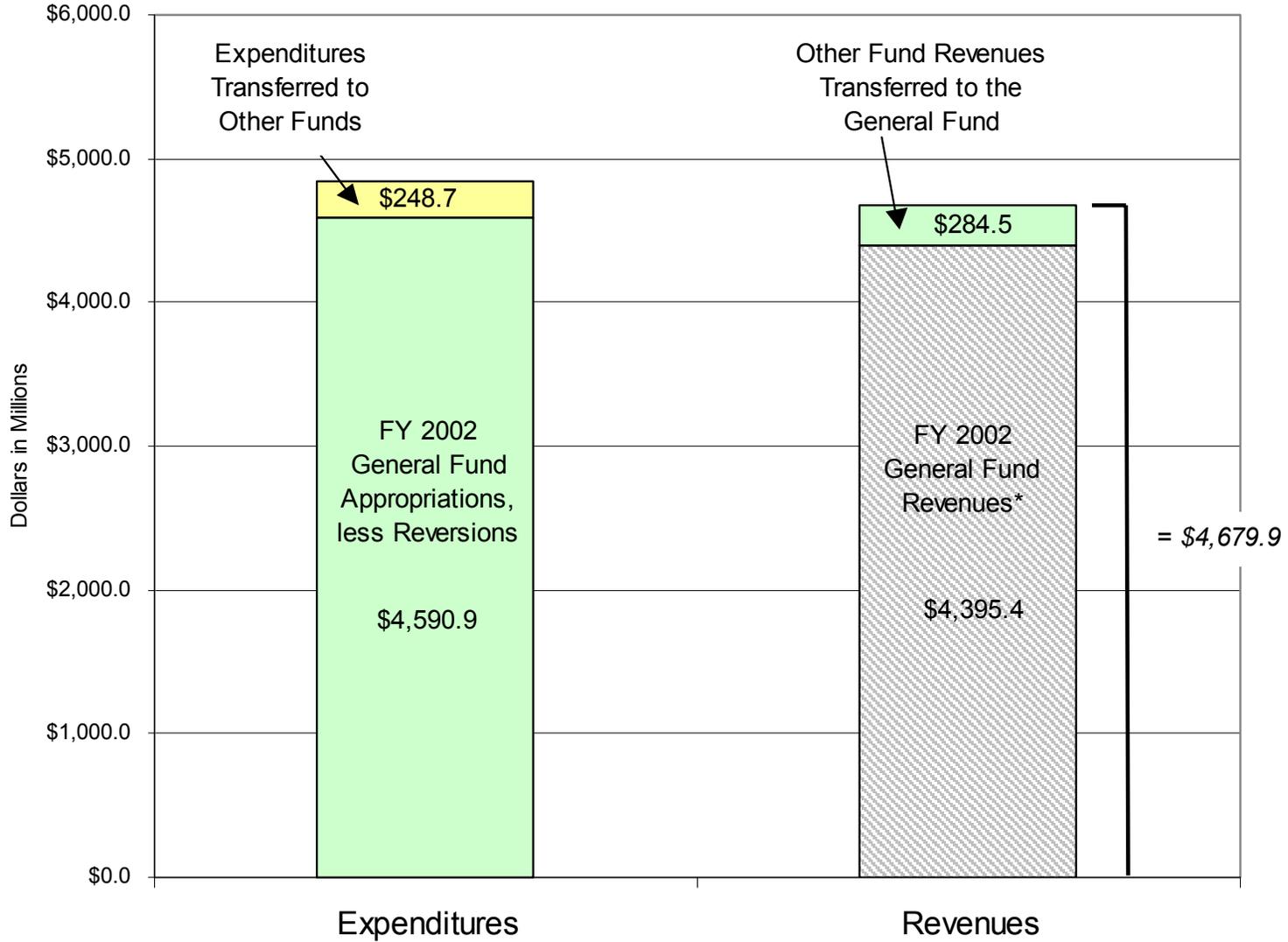
Underground Storage Tank Program – The Program was created to provide a variety of financial assistance for the cleanup of leaking underground fuel storage tanks. The Program is comprised of eight separate funds under the control of the State Treasurer.

- **Major Revenue Sources:**
 - Motor Vehicle Use Tax – The Program receives an annual allocation of \$17.0 million from motor vehicle use tax receipts.
 - Per Tank Fee – The Program receives \$50 from each annual \$65 per-tank registration fee collected by the Department of Natural Resources.
 - Cost Recovery – Funds are received through court action and negotiation with non-eligible responsible parties. Other funds are "cost recovered" through settlements and agreements that reduce the State's liability for the cost of certain site cleanups.
 - Interest Earnings – The eight individual funds generate and retain interest earnings.
- **Estimated FY 2003 receipts:** \$25.5 million.
- **Estimated FY 2003 Expenditures:** \$46.0 million, which includes \$10.0 million that was transferred to other programs.
- **Major Issue:** Over the past 10 years, the Program has received revenues in excess of expenditures and has expended less on cleanup than budgeted. The result has been a growing Program cash balance. Even with legislative diversions of cash balances, the Program ended FY 2002 with a balance of \$144.2 million. Under current law, the annual motor vehicle use tax revenue dedicated to the Program does not sunset. However, it can be assumed the General Assembly will eliminate this revenue source when a sufficient balance is available in Program funds to complete cleanup and repay all outstanding bonds. Diversion of cash balances from the Program extends the time that motor vehicle use tax must be used to finance the Program.
- **FY 2004 Outlook:** Unless significant progress is made toward moving contaminated sites to the final cleanup phase, the Program will have a balance in excess of expenditure needs during FY 2004.

STAFF CONTACT: Glen Dickinson (Ext. 14616) and David Reynolds (Ext. 16934)

FY 2002 General Fund Revenues and Expenditures

(Dollars in Millions)



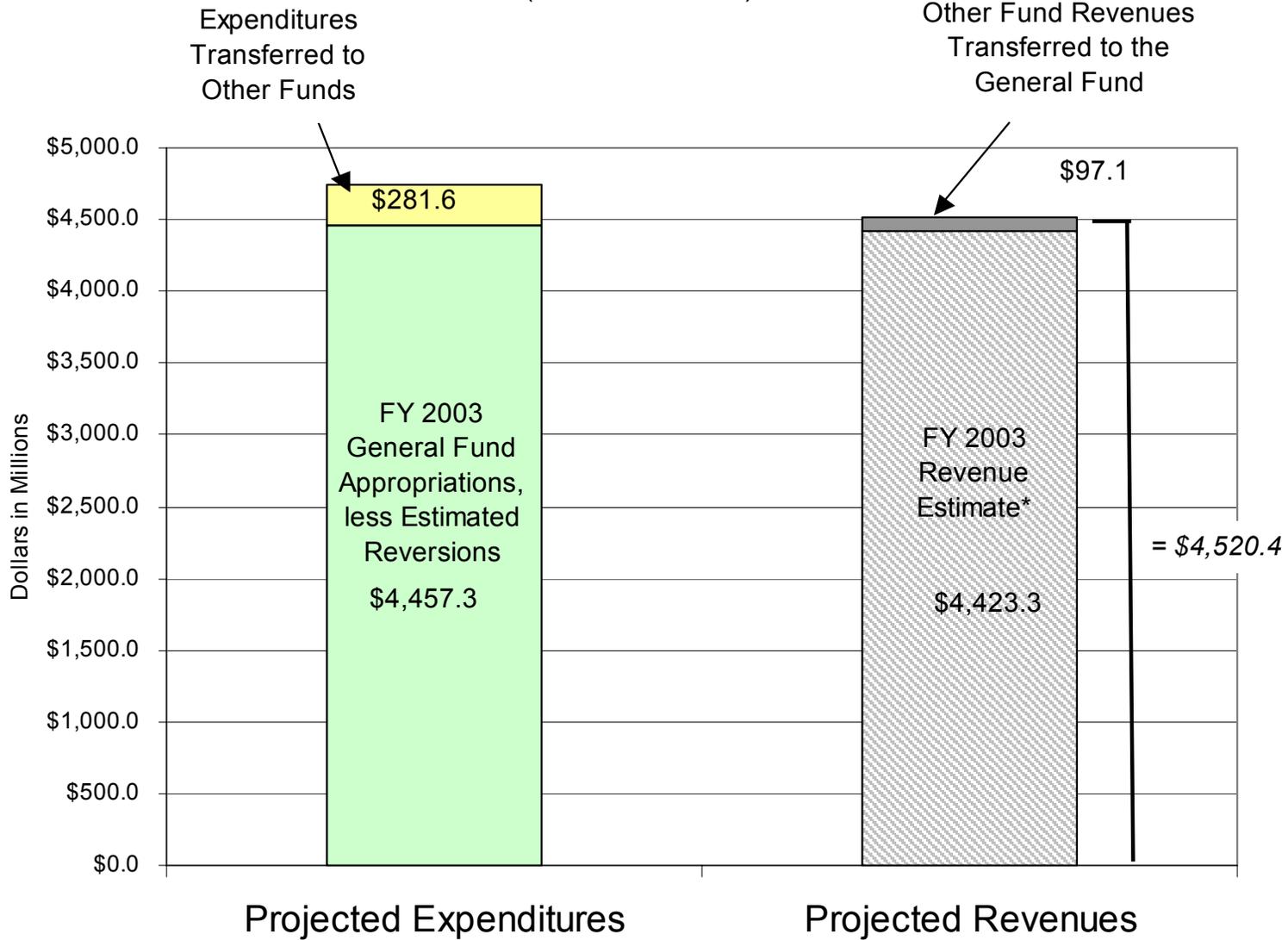
* Revenues after refunds, transfers, and accruals.

FY 2002 Revenue Transfers to the General Fund		
(Dollars in Millions)		
Economic Emergency Fund	\$	105.0
Cash Reserve Fund		90.0
Endowment for Healthy Iowans		22.0
Reserve Fund Interest		15.6
Rebuild Iowa Infrastructure Fund		9.8
Environment First Fund		7.5
Ground Water Protection Fund		4.2
Prison Infrastructure Fund		6.2
Healthy Iowans Tobacco Trust		6.0
Recreation Trails Fund		5.5
Waste Tire Fund		3.0
TRANS Notes Interest		2.3
Vehicle Depreciation Fund		2.2
Other Fund Transfers		1.7
Risk Pool		1.5
Brucellosis & Tuberculosis Fund		1.0
DED - Strategic Investment Fund		1.0
Total	\$	284.5

FY 2002 General Fund Expenditures Shifted to Other Funding Sources			
(Dollars in Millions)			
By Fund		By Program	
Senior Living Trust Fund	\$ 74.0	Medical Assistance (Medicaid)	\$ 120.5
Economic Emergency Fund	44.9	School Aid	44.9
Endowment for Healthy Iowans	42.5	Student Achievement	40.0
Healthy Iowans Tobacco Trust	32.4	State Employee Salaries	18.0
Underground Storage Tank Fund	18.0	Soil Conservation Cost Share	7.5
Environment First Fund	10.1	ICN and Prison Debt Service	6.7
Restricted Capital Fund	7.3	DHS Programs	4.4
Hospital Trust Fund	7.0	Indigent Defense	2.7
Terminal Liability Fund	3.5	Appeal Board	1.5
DED - Physical Infrastructure Assist. Fund	2.5	Unemployment Compensation	1.0
DED - Strategic Investment Fund	2.0	Tuition Replacement	0.6
Ag - Alternative Drainage Assist. Fund	1.1	Elderly Tax Credit	0.5
DNR - Snowmobile Fund	1.0	Performance of Duty	0.4
Victims Compensation Fund	1.0	Total	\$ 248.7
All Terrain Vehicle Fund	0.8		
DED - Value Added Agriculture Fund	0.3		
Aviation Assistance Fund	0.3		
Total	\$ 248.7		

FY 2003 Projected General Fund Revenues and Expenditures

(Dollars in Millions)



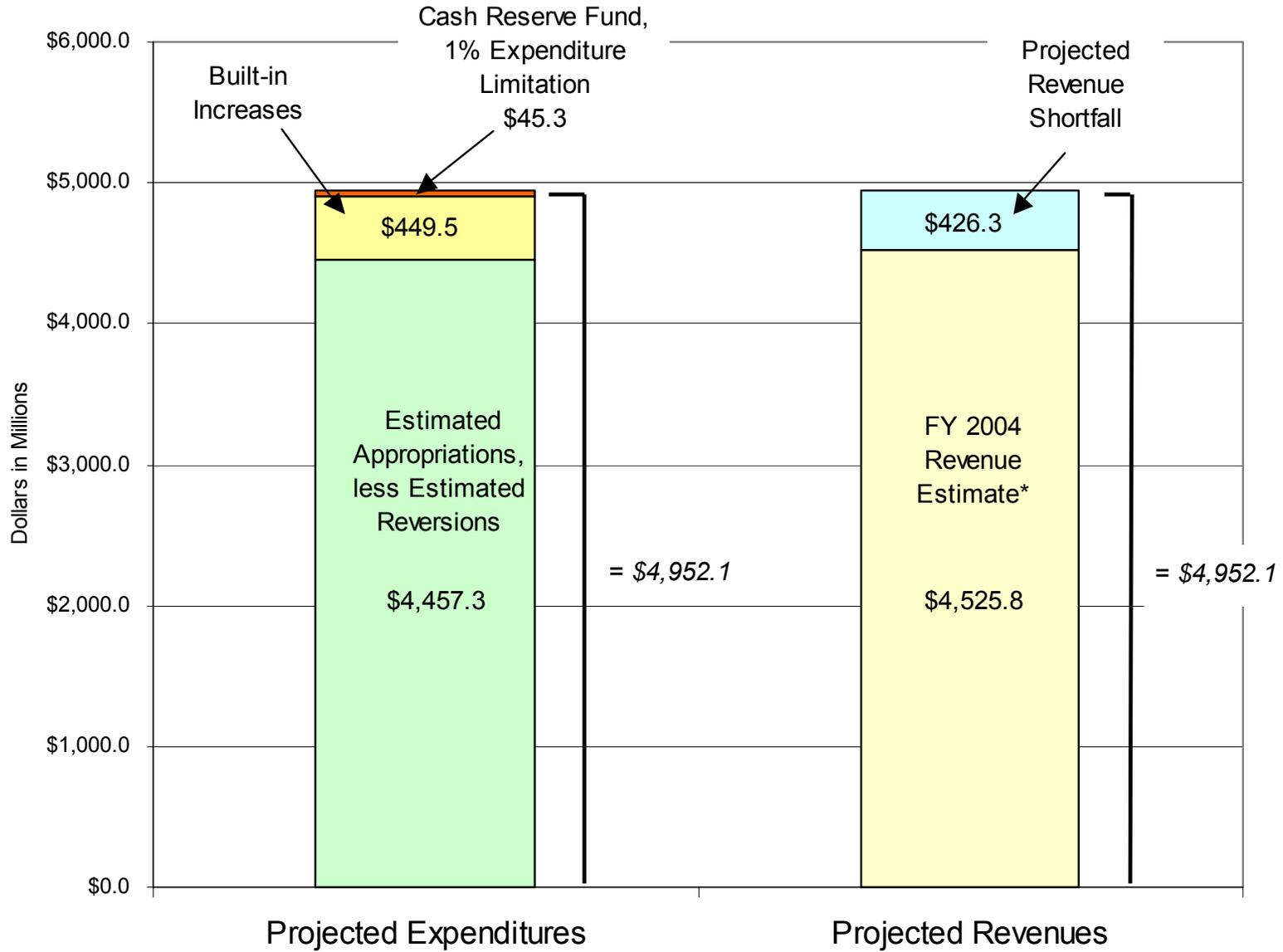
* Revenues after refunds, transfers, and accruals.

FY 2003 Revenue Transfers to the General Fund	
(Dollars in Millions)	
School Infrastructure Fund	\$ 22.0
Environment First Fund	18.4
Rebuild Iowa Infrastructure Fund	15.5
Underground Storage Tank Fund	10.0
Endowment for Healthy Iowans	9.0
Prison Infrastructure Fund	7.6
Reserve Fund Interest	5.2
Title Guarantee Fund	2.7
Vehicle Depreciation Fund	2.2
Waste Tire Fund	1.6
Ground Water Protection Fund	1.0
Jury & Witness Fund	1.0
Other Fund Transfers	0.9
Total	\$ 97.1

FY 2003 General Fund Expenditures Shifted to Other Funding Sources			
(Dollars in Millions)			
By Fund		By Program	
Senior Living Trust Fund	\$ 66.7	Medical Assistance (Medicaid)	\$ 117.1
Healthy Iowans Tobacco Trust	42.8	School Aid	45.0
Endowment for Healthy Iowans	36.8	State Employee Salaries	41.1
Regents Demutualization	30.0	Tuition Replacement	27.3
Restricted Capital Fund	28.9	Student Achievement	23.9
Economic Emergency Fund	25.0	ICN and Prison Debt Service	18.4
Underground Storage Tank Fund	20.0	DHS Programs	4.4
Hospital Trust Fund	12.0	Soil Conservation Cost Share	3.5
Insurance Premium Tax	10.0	DPS - Capitol Security	0.9
Rebuild Iowa Infrastructure Fund	5.9	Total	\$ 281.6
Environment First Fund	3.5		
Total	\$ 281.6		

FY 2004 Projected General Fund Revenues and Expenditures

(Dollars in Millions)



* Revenues after refunds, transfers, and accruals.